



For Immediate Release
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Contact: Carol Guthrie
(202) 224-4515

FINANCE PANEL APPROVES BILL FOR PERU TRADE AGREEMENT
Pact including landmark labor, environmental provisions approved today by vote of 18 – 3

Washington, DC – By a vote of 18 – 3 today, the Senate Finance Committee reported its recommendations regarding draft legislation to implement the Peru Free Trade Agreement. The implementing bill approves the agreement and implements its customs, procurement, illegal logging, and other provisions. At the morning meeting to consider the measure, Finance Committee Chairman Max Baucus (D-Mont.) praised the landmark environmental and labor requirements included in the Peru FTA pursuant to a bipartisan trade deal struck between Congress and the administration last May.

“American workers and businesses deserve to know they’re on a level playing field with our trading partners, and the stronger labor and environmental provisions now in the Peru Free Trade Agreement strike a better balance. The new trade requirements set out in May made bipartisan support for this pact possible, and it’s a model of how we should approach trade agreements going forward,” said Baucus. **“This solid vote will allow Congress to complete a trade agreement with Peru that’s mutually beneficial to our countries.”**

In addition to the new requirements outlined by Congress and the White House in May – which include the adoption of enforceable core International Labor Organization standards and laws in both countries to comply with a number of environmental treaties – the Peru agreement includes additional obligations to prevent illegal logging, and gives America the right to refuse Peruvian imports of illegally logged endangered trees.

Basic provisions of the implementing bill are as follows:

- approves the Peru Free Trade Agreement and establishes the necessary conditions for its entry into force
- authorizes the President to proclaim tariff modifications
- defines which goods are eligible for preferential treatment under the agreement
- implements the agreement’s safeguard mechanisms to address import surges of agricultural, textile, apparel, and other imports
- gives eligible Peruvian goods and services access to U.S. government procurement bidding procedures
- implements the verification and compliance measures included in the new illegal logging annex that was added to the agreement as a result of the May 10 bipartisan trade deal

- requires the United States Trade Representative to provide a report to Congress within one year after entry into force of the agreement, two years after entry into force, and periodically thereafter, on the steps the United States and Peru have taken to implement the illegal logging annex and the Environmental Cooperation Agreement that the United States and Peru negotiated concurrently with the agreement.

The Committee approved no amendments to the Chairman's Mark of the draft Peru legislation. Committee mock markups are the only opportunities for Congress to offer amendments to the administration's proposal. Congress cannot offer amendments to the final implementing bill submitted by the administration under the Trade Promotion Authority Act - also known as "fast track" - procedures. Following administration review of any amendments that the Finance and Ways and Means Committees approve on a draft implementing bill, a final version of the implementing bill is submitted to Congress for an up-or-down vote.

The full text of the implementing bill is available on the legislation page of the Finance Committee website at this URL: <http://finance.senate.gov/sitepages/legislation.htm>.

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